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THE VOICE OF LOCAL GOVERNMENT

TESTIMONY
of the
CONNECTICUT CONFERENCE OF MUNICIPALITIES
to the
GOVERNMENT ADMINISTRATION & ELECTIONS COMMITTEE
March 23, 2009

CCM is Connecticut's statewide association of towns and cities and the voice of local governments - your partners in governing Connecticut. Our members represent over 93% of Connecticut's population. We appreciate this opportunity to provide testimony to you on issues of concern to towns and cities.

CCM opposes Raised House Bill 6696 "*An Act Concerning Municipal Ethics*"

The Connecticut Conference of Municipalities (CCM) has testified before this committee numerous times over the last several years on various renditions of a proposal to impose a municipal ethics mandate on local governments.

As this proposal has been debated over the years CCM has stated that our members could support a compromise proposal that would require all municipalities to (1) *adopt a code of ethics*, (2) *establish a mechanism for addressing allegations of unethical behavior* in a manner that meets the needs of their individual community (if they do not already have such in place); and, (3) *report by a date certain on what they did or already had in place*.

Time and again this offer of compromise has fallen on deaf ears and each new proposal that has been drafted by this Committee has differed only slightly from ones that preceded it.

The State Task Force on Municipal Ethics was required to report to the General Assembly by January 1, 2009, and has not yet completed this task. It is premature to consider this bill in the absence of a Task Force report.

As reported to the Task Force, CCM conducted a survey of municipalities during the Summer of 2008 -- and had responses from 100% of municipalities. The survey found that:

- **124 municipalities already have an ethics code** in place that meets the needs of their community (an additional 9 municipalities were in the process of drafting a code to be considered by their residents).
- **98 municipalities have a specific procedure for addressing allegations of unethical behavior.**
- **99 include a conflict of interest policy.**
- **105 have a policy regarding gifts.**

The 2008 survey showed significant increases from the 2005 survey in municipalities adopting ethics codes on their own, with the input of their residents, to implement a mechanism that best meets the needs of their communities. Since the 2005 survey:

- The number of municipalities which have **Ethics Codes increased 35%**
- Those with **Conflict of Interest policies increased 58%**
- The number of municipalities that require the disclosure of **Conflict of Interest rose by 27%**
- The number of local governments which have a **processs for Addressing Complaints increased by 14%**
- Municipalities that have **Ethics Commissions or Boards went up by 38%**

While, on its face, the issue of ethics appears to be a simple one, it becomes very complex when attempting to legislate a one-size-fits-all approach to the diverse towns and cities that make up Connecticut. Over the years, CCM and local officials have described the adverse impacts on municipal government operations, volunteerism, and recruiting/ retaining municipal officials and employees that would have been caused by proposals in previous legislative sessions. But HB 6696 is not much different from those.

This bill would impose an unfunded mandate on municipalities who stepped forward and adopted an ethics code on their own by requiring them to amend their current ethics code to match the code that would be dictated by the State.

We urge you to take no action on this bill, or any other, that would require municipalities to adopt a state-prescribed code of ethics or change what they currently have in place to satisfy the new mandate.

##

If you have any questions, please contact Kachina Walsh-Weaver, Senior Legislative Associate for CCM, via email kweaver@ccm-ct.org or via phone (203) 498-3026.

Attachments (2):

- Synopsis of Survey Results
- Presentation to State Task Force on Municipal Ethics



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RESULTS OF CCM SURVEY ON LOCAL ETHICS POLICIES September 2008

MUNICIPALITIES WITH LOCAL ETHICS POLICY (100% response):

<u>YES</u>	<u>NO</u>	<u>IN PROCESS</u>
124	36	9

For those responding yes, what is included in the Local Ethics Policies:

120	Conflict of Interest Policy
99	Disclosure of Conflict of Interest
37	Statement of Financial Interests
91	Ethics Commission or Board
105	Gift Policy
45	Policy for former public employees and officials
98	Process for addressing complaints or allegations of unethical conduct

For those responding yes, how many complaints were received in the last 12 months?

<u>Number of Complaints</u>	
0	82
1-5	32
6-10	1
10-15	1
15+	0

For those with complaints, what were types complaints?

26	Conflict of Interest
4	Gifts/Graatuities/Favors
2	Nepotism
1	Unauthorized/Personal use of municipal property
3	Outside Employment
0	Other (<i>describe</i>)

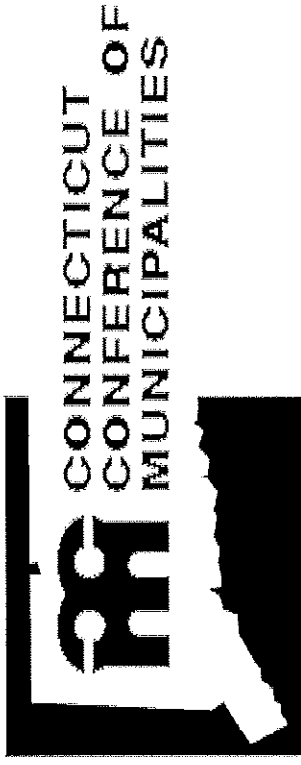
Municipalities that require any form of financial disclosure by municipal officials, employees or volunteers. 26

Municipalities that provide guidance or opinions on questions concerning ethics. 128

Entity responsible for providing such response?

70	Local Ethics Commission/Board
0	Regional Ethics Commission/Board
67	Municipal Attorney
10	Legislative Body
1	Other (<i>describe</i>)

Municipalities participate in any form of regional ethics code, board, commission, or other type of body? NONE



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CCM Efforts: Ethics Education

- 33 workshops in the last 8 years
- 995 workshop attendees
- Dedicated “ethics” section on CCM’s website, with a searchable database **E**
- Information kit for municipalities - *Ethics and Conflicts of Interest*
- “Ethical Dilemmas” article each issue of our association publication *Connecticut Towns and Cities*
- Compiled and published a book on ethical dilemmas
- Upon request, conduct dedicated ethics forums in individual communities

Survey of Municipalities

CCM began surveying *all* municipalities
in June 2008

- Intent of Survey
 - Whether municipalities did or did not have an ethics policy in place
 - The content of such policy
 - Existence of any complaints
 - Update our searchable database of local ethics policies

Results of 2008 Survey

Of those with an ethics policy in place:

- **71%**, include a Conflict of Interest policy
- **Half** have had no ethics complaints filed in the last 12 months
- **75%** have a formal process for individuals to obtain guidance or opinions on ethics issues

Comparison to 2005 Survey

Municipalities with:

- Ethics policies **↑35%**
- Conflict of Interest policy **↑58%**
- Disclosure of Conflict of Interest **↑27%**
- Process for addressing complaints **↑14%**
- Ethics Commission or Board **↑38%**

Comparison to 2002 Survey

Municipalities with:

- Ethics policies **↑97%**
- Conflict of Interest policy **↑186%**
- Ethics Commission or Board **↑112%**

** Disclosure of conflict of interest and process for addressing complaints were not questions included in the 2002 survey.*

CCM – Past Advocacy

CCM has continually advocated that we can support requiring municipalities to:

- Adopt an ethics policy
- Establish a mechanism for addressing allegations of unethical behavior
- Report to the State, by a date certain, on what they implemented in response - or already had in place

CCM – Cannot Support

CCM has also always been clear that we *cannot*

support:

- One-size-fits-all approach to local ethics policies
- A blanket requirement for local officials and/or volunteers to disclose their financial interests.
- A mandated mechanism that provides the Office of State Ethics with investigative and hearing authority over local ethics issues

Local Accountability

Municipal officials are the *most accessible* officials in our federal, state, and local systems of government – **They are always local.**

- Shop at the local grocery stores
- Work-out at the local gym
- Bring their kids to the local schools
- Utilize the same local services

Local officials are always in the community!

Considerations

- Unfunded mandates are having a significant impact on local property-tax dollars
 - Cost factors of creating and implementing an ethics code:
 - Attorney Fees
 - Public Notice
 - Referendum and/or town meeting
- One-size-fits all approach does not work
 - Municipalities vary greatly in size, with populations ranging from 693 to 140,000
 - Local governments vary in their structure
 - Constituencies of local governments vary in their priorities
 - Size and scope of communities varies greatly
 - What works in one community may not be as effective, or appropriate, in another

Considerations

- Municipalities rely on volunteerism
 - Local boards and commissions
- AND*
- Elected officials

Mandating such things as *financial interest disclosure* - or - disallowing local officials/volunteers/employees from conducting their own business before or with the town government, *could put a chilling effect on residents wanting to serve.*

Closing

The results of the survey, shows steady increases in the numbers of municipalities implementing local ethics policies...

➔ ***Clearly indicates that no mandate on local ethics policies is needed.***